



RAILROAD COMMISSION OF TEXAS

SURFACE MINING AND RECLAMATION DIVISION

October 27, 2009

Mr. Josh Leftwich
Environmental Manager
Uranium Energy Corporation (UEC)
400 Mann Street, Suite 900
Corpus Christi, Texas 78401

RE: Weesatche Project, Goliad County
Uranium Exploration Permit No. 123C
Inspection Report

Dear Mr. Leftwich:

Enclosed is a copy of the report for the inspection completed on October 22, 2009, at UEC's Weesatche Project, Goliad County.

If you have any questions, please contact me at (512) 305-8813.

Sincerely,

A handwritten signature in blue ink that reads "Mark Schlingen".

Mark Schlingen, Manager
Inspection and Enforcement

MS/sdj
Enclosure



RAILROAD COMMISSION OF TEXAS

SURFACE MINING AND RECLAMATION DIVISION

URANIUM EXPLORATION INSPECTION REPORT

Project Name: Weesatche Permit Number: 123C
 Permittee: UEC County: Goliad
 Industry Representative(s) Present: James Gale
 Inspector: Steve Meadows Date of Inspection: October 22, 2009

I. Field Conditions and Data Collection

Samples Collected: No ☒ Yes ☐ Sample Type: Water ☐ Soil ☐ Vegetation ☐
 Average Temperature _____ Soil Condition _____ Date Last Rainfall _____ Wind Direction/
 Velocity (Est.) _____
 Photographs Attached: No ☐ Yes ☒ (Complete Section IV)

II. Enforcement Action Taken

Notice of Violation Issued: No ☒ Yes ☐ NOV No. _____
 Cessation Order Issued: No ☒ Yes ☐ CO No. _____



Steve Meadows

10/26/2009

Inspector Signature

Date

Mark Salinger 10/26/09

Reviewing Supervisor Signature

Date

Project Name: Weesatche
Permit Number: 123C
Inspection Date: October 22, 2009

III. Comments – Inspection Narrative

- Document the area of the permit inspected
- Discuss observations made during the inspection
- Document the results of any field tests taken
- Provide a summary of any discussions with industry representatives, along with results, and expectations from those discussions
- Describe any enforcement action taken during the inspection, along with facts or evidence supporting the enforcement action

No exploration activity is currently in progress on UEC Permit No. 123C. This inspection focused on site restorations on the Schrade property located on the northeastern quadrant of the area of exploration. All exploration boreholes in this area have been previously individually inspected for compliance to the regulations and permit requirements and in most cases the PVC markers have been removed after inspection at the request of the landowner for agricultural purposes. In most cases the individual drilling locations are essentially indiscernible and the photographs taken during this inspection are primarily of the locations where markers left in place or other evidence allowed the location to be identified. Photos 1-9 include views from 11-14-07 contrasted with the area of explorations as it currently appears. Recent rains have alleviated the persistent drought conditions of the last year and re-vegetation of the drilling locations has progressed accordingly.

Project Name: Weesatche
Permit Number: 123C
Inspection Date: October 22, 2009

VI. Photographs



Photo 1: Exploration drilling locations on Schrade property in UEC Permit No. 123 on 11-14-07.



Photo 2: Exploration drilling location on Schrade property on 10-22-09.

Project Name: Weesatche
Permit Number: 123C
Inspection Date: October 22, 2009

VI. Photographs



Photo 3: Schrade drilling location on 11-14-07.



Photo 4: Schrade drilling location on 10-22-09.

Project Name: Weesatche
Permit Number: 123C
Inspection Date: October 22, 2009

VI. Photographs



Photo 5: Schrade drilling location on 10-22-09 – note marker still in place.



Photo 6: Schrade drilling location on 10-22-09.

Project Name: Weesatche
Permit Number: 123C
Inspection Date: October 22, 2009

VI. Photographs

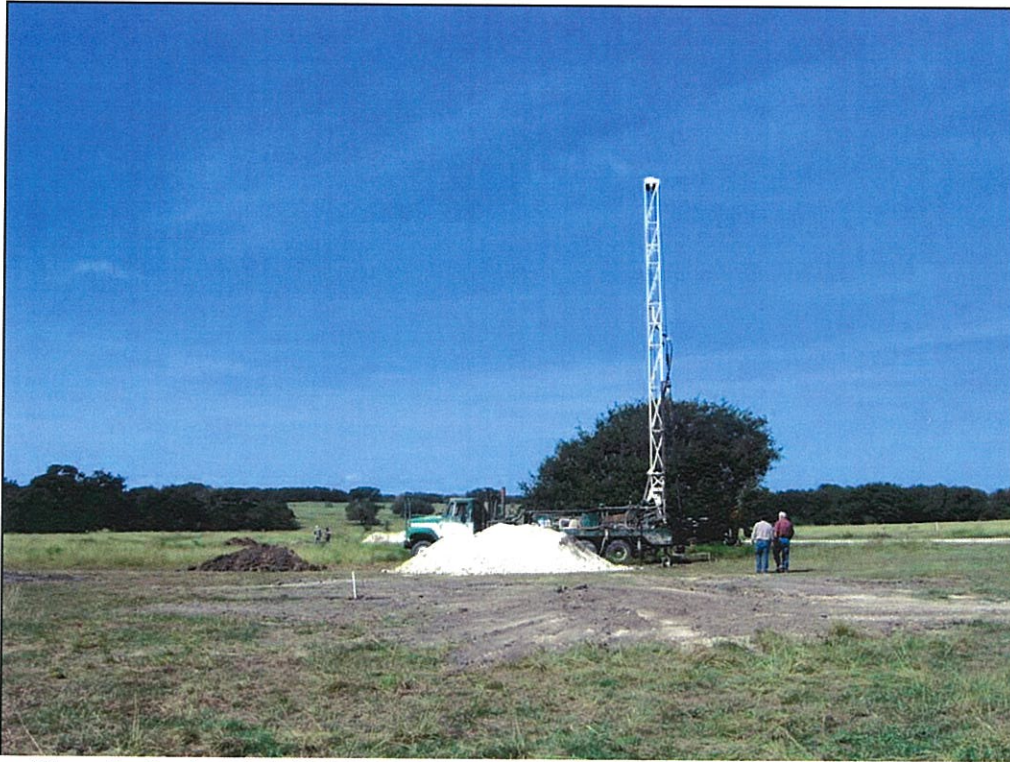


Photo 7: Exploration drilling locations near live oak on Schrade lease on 11-14-07.



Photo 8: Site restoration near live oak with entrance to Schrade property visible on 10-22-09.

Project Name: Weesatche
Permit Number: 123C
Inspection Date: October 22, 2009

VI. Photographs



Photo 9: Site restoration at Schrade drilling location on 10-22-09.